

**Ballot Simplification Committee  
DRAFT for Consideration  
Tuesday, August 5, 2008**

**Affordable Housing Set-Aside**

**THE WAY IT IS NOW:**

The Charter requires the City to set aside portions of the annual property tax levy for specific purposes. For every \$100 of assessed value, the Charter requires the City to set aside:

- 2 ½ cents for the Park, Recreation and Open Space Fund;
- 3 cents for the Children's Fund; and
- 2 ½ cents for the Library Preservation Fund.

The City has various programs that provide financing to develop, rehabilitate or acquire affordable housing in San Francisco. The Mayor's Office of Housing (MOH) administers most of these programs.

By Board of Supervisors' resolutions, the City has adopted a policy urging the San Francisco Redevelopment Agency to use over 50% of its total property tax increment funds to provide low and moderate income housing. The Redevelopment Agency has also adopted that policy, which exceeds the requirements of state redevelopment law.

## **THE PROPOSAL:**

Proposition \_\_\_\_ would amend the Charter to establish the San Francisco Affordable Housing Fund and require the City to set aside money from the annual property tax levy for this Fund. For every \$100 of assessed value, Proposition \_\_\_\_ would require the City to set aside 2 ½ cents for the Affordable Housing Fund. This set aside would expire in 2024.

Money from the Affordable Housing Fund could be used to:

- purchase, build, rehabilitate or maintain housing for households that earn not more than 80% of the San Francisco median income
- support programs to help first time homebuyers
- provide rent subsidies and other services to tenants
- help with urgent repairs of public housing properties owned by the San Francisco

Housing Authority

Money from the Affordable Housing Fund could also be used to support housing for families with dependents, seniors, people who have disabilities, people who are HIV positive, and people who were recently homeless or are at risk of becoming homeless.

Proposition \_\_\_\_ also sets priorities for and limits on how the City can spend the Fund.

For example, the City must spend at least 75% of the Fund to acquire and develop new housing units, at least half of which must be 2 bedroom or larger units. It also must assure that at least 40% of those new units will be affordable to households earning 30% or less of the San Francisco median income.

The Affordable Housing Fund could not be used to replace other City funding for affordable housing.

The Affordable Housing Fund would be managed by the MOH. MOH, in cooperation with the Department of Public Health and the Department of Human Services, would be required to present an annual affordable housing budget and a 3-year housing plan, which would be subject to the approval of the Board of Supervisors.

Proposition \_\_\_\_ would affirm City policy urging the Redevelopment Agency to use at least 50% of its total property tax increment funds for low and moderate income housing.

**A “YES” VOTE MEANS:** If you vote "yes," you want the City to establish an Affordable Housing Fund, set aside 2 ½ cents for every \$100 of assessed value for this Fund through 2024, and use this Fund to acquire and develop new affordable housing units meeting certain priorities and income limitations.

**A “NO” VOTE MEANS:** If you vote “no,” you do not want to make these changes.

word count: 536 [suggested word limit: 300]